

State of Alaska
Department of Natural Resources
Division of Forestry—Kenai / Kodiak Area Office
Timber Sale Prospectus, December 2011

This prospectus is intended to furnish sufficient information to enable prospective bidders to decide whether further investigation of the above sales are warranted. The state reserves the right to waive technical defects in this prospectus. In the event of discrepancies between this prospectus and the timber sale contracts, information in the contracts prevails. Prospective bidders are strongly urged to examine the timber sales and to make their own volume and value estimates. Quantities and quality of timber in the contracts are not guaranteed. The sale areas and sample contracts should be reviewed prior to submission of a bid(s).

Acreages, and distances are based on satellite imagery and the use of Geographic Information System data. Acreages and road distances were not calculated from field surveys.

	Legal Descriptions	General Location and Nearest Roads
Corea	Section 19, Township 1 North, Range 12 West, Seward Meridian	Four miles south of Clam Gulch. Section line easement, east from Sterling Highway, near Mile 123
Electric 2	Sections 17 and 20, Township 3 South, Range 13 West, Seward Meridian	Happy Valley. Sterling Highway Mile 147.2, Resch Road past end of Electric Lane
Rascal	Sections 22 and 23, Township 5 South, Range 15 West, Seward Meridian.	South of Anchor Point. Old Sterling Highway, onto Rascal Lane. Roughly ¼ mile past end of Rascal Lane.
Pothole 13*	Sections 30 and 31, Township 5 South, Range 14 West, Seward Meridian.	South of Anchor Point six miles. Old Sterling Highway to Dusty Road south approximately 1000 feet onto Borough parcel.
Pothole 14*	Section 31, Township 5 South, Range 14 West, and Section 6, Township 6 South, Range 14 West, Seward Meridian	South of Anchor Point seven miles. Same access as Pothole 13

*Access to Pothole 13 and Pothole 14 is also possible from the northwest through state land via Silverberry Lane.

Description of Timber

The spruce within the sales was visually estimated to be 75 to 80 percent dead. Most of the dead trees in the sales are down. The timber sale bid prices are based on acres; timber volumes have not been estimated in the field. The State does not expressly or implicitly warrant any quantity, quality, or marketability estimates of the timber sold in any of these timber sales. The State strongly urges prospective bidders to visit the site and evaluate the timber before submitting a bid.

Topography and Ground Conditions

The sales are located on gently rolling to flat terrain. Slopes range from 0 to 15%. The sale areas are adjacent to or are surrounded by muskegs. Therefore, road construction and hauling can only occur during winter months when the ground surface has sufficiently frozen, and there is adequate snow cover.

Access

Logging access into all of the sales, except Corea will require winter access roads. Proposed road locations will be submitted by the Purchaser in the annual operating plan and approved by the State prior to construction. Access depicted on the attached timber sale maps is conceptual and depicts the shortest easement via roads managed by either the State or the Kenai Peninsula Borough. Alternative access routes into the sale area must be approved by the State prior to commencement of operations. Purchasers accessing timber sales through private land must obtain written permission from the landowner and provide the State with a copy of the permission. Access routes through Kenai Peninsula Borough land will require permits and formal arrangements secured by the Purchaser with the Borough.

All stream crossings must be approved by the State. Winter roads into the sale area and temporary roads on state land will be put to bed upon completion of use in accordance with the Forest Resources & Practices Regulations pertaining to road closure (11 A AC 95.320) and the requirements of the timber sale contracts. Log hauling on ice roads will begin when underlying ground is frozen sufficiently to support equipment. The State may suspend road use if there is insufficient snow cover and frost depth to mitigate ground surface damage. All roads must be maintained to the standards of the Forest Resources & Practices Regulations and the timber sale contracts.

Silvicultural Prescriptions

The silvicultural prescriptions call for salvaging dead spruce over eight inches in diameter—standing and down, and harvesting live spruce trees over 10 inches in diameter. Pockets of advanced regeneration and pole-sized green trees must be retained and protected during harvest. Birch may be harvested at the discretion of the State. Scarification will be required for the all of the sales.

Details regarding trees allowed for harvest and scarification requirements are stated in the timber sale contracts.

Harvest unit boundaries adjoining other ownerships will be flagged. Before visiting the sites, prospective purchasers are encouraged to contact the Division of Forestry for specific details regarding the location of timber sale boundaries. If necessary, the Division of Forestry may arrange a site visit with prospective purchasers to ensure harvest unit locations are understood.

Contract Execution and Requirements

The Purchaser will have 30 days from the receipt of the contract(s) for signing to return it to the Kenai-Kodiak Area Forester, properly signed and notarized. Prior to execution of the contracts, the Purchaser must meet with the State at the timber sale sites to discuss the timber sale requirements. The sales will require that portions of the timber be harvested each year of the contract period.

Bidding

Each sale will be sold through sealed bids at lump-sum prices. All bidders must submit a copy of their current Alaska Business License prior to the bid opening; a business license may accompany bids. Bids must be submitted on forms provided by the Division of Forestry, marked with the timber sale name and number, and addressed to the Kenai-Kodiak Area Office 42499 Sterling Highway Soldotna, Alaska 99669. Sealed bids may also be presented in person to the Kenai-Kodiak Area Forester before the bid

opening. If a bidder elects to bid on more than one sale, a different sealed bid must be submitted for each sale. **Bid opening will occur at 1:15 P.M. January 2, 2012.**

The State reserves the right to reject any or all bids. The State will award the sales to the responsible qualified bidder offering the highest bid amount for the sale.

If a tie in the high bid occurs on any sale, the successful bidder will be determined by lot at the time of bid opening.

The State expects that the bid, contract execution, performance deposit, and stumpage payments, and insurance all be in the name of the individual purchasing the sale.

Payments

The State will not accept cash or personal checks for any of the following timber sale payments. The minimum bid prices, performance bonds, and contract periods are as follows:

Sale Name	Harvest	Minimum	Performance	Contract Expiration
	Unit Acres	Bid	Bond	
Corea	29	\$580	\$500	July 31, 2013
Electric 2	32	\$640	\$500	July 31, 2013
Rascal	50	\$1,100	\$750	July 31, 2014
Pothole 13	31	\$620	\$500	July 31, 2013
Pothole 14	35	\$700	\$500	July 31, 2013

Bid Deposit

A deposit in the amount of 10% of the bid will be required at the time bids are submitted. Deposits from unsuccessful bidders will be returned at the time the sales are awarded. The deposit furnished by the high bidder whose bid was declared acceptable will be retained as liquidated damages if the bidder does not execute the contract and furnish a satisfactory performance deposit within 30 days of receipt of the contract for execution. The 10% bid deposit shall be in the form of cashier's check, or money order.

Performance Deposit

A performance deposit will be required for each sale. The performance deposit must be made payable to the State, in the form of a cashier's check or money order. A time certificate of deposit, pass book saving account, or surety bond may be arranged at the discretion of the State. The bidder shall furnish a satisfactory performance deposit within 30 days of receipt of the contract for execution. The deposit will be maintained throughout the life of the contract.

Stumpage Payments

A payment for each sale shall be made at least 15 days prior to the date the Purchaser will commence operations on that sale. At the discretion of the State, more than one payment may be made for a sale during the contract period. Stumpage payments must be submitted by certified mail or in person to the Kenai-Kodiak Area Office of the Alaska Division of Forestry, in the form of cashier's checks or money orders.

Reservations

The state reserves the right reject any and all high bids. The State reserves the right to award the sale(s) for the amount of the next high bid to the next highest bidder if the Director considers the highest bidder unqualified to fulfill the requirements of the contract, or if the contract is not executed by the highest bidder. The State also reserves the right to waive any informality in the bids received.

Obtaining Documents

The following documents are available online at the Division of Forestry website,
<http://forestry.alaska.gov/timber/kenaikodiak.htm#contract>

- Notice of Final Finding and Notice of Timber Sales: Corea, Electric 2, Rascal, Pothole 13 and Pothole 14
- Final Finding: Rascal Timber Sale
- Final Finding: Corea Timber Sale
- Final Finding: Electric 2 Timber Sale
- Final Finding: Pothole Block (which encompasses the Pothole 13 and Pothole 14 Timber sales)
- Sample Timber Sale Contracts

Copies of these documents may also be obtained by writing to:

Alaska Division of Forestry
Attn.: John Winters
42499 Sterling Highway
Soldotna, AK 99669,

or by calling John Winters at (907) 260-4212. The information and documents may also be picked up in person by visiting the Kenai-Kodiak Area Office located at Mile 92.5 of the Sterling Highway.